

**Transportation Equity Act for the 21<sup>st</sup> Century  
(TEA-21)  
In Review**

**For  
Local Governments**

**Prepared by:  
WSDOT  
Highways & Local Programs Division**

## Distribution and Programming of Local Federal Funds under TEA-21

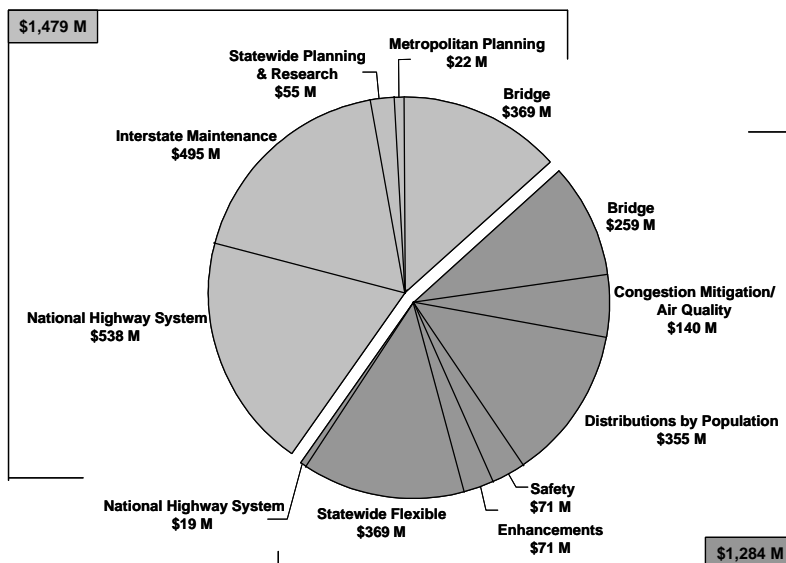
TEA-21 is the acronym for the current federal transportation act, the Transportation Equity Act for the 21<sup>st</sup> Century. Signed into law in June 1998, TEA-21 will expire in September 2003. TEA-21 replaced ISTEA, the Intermodal Surface Transportation Efficiency Act of 1991. Together these two acts have presented a significant departure from previous transportation programs by providing increased spending "flexibility" to state and local governments in using federal funds to meet each state's transportation needs. The source of funds for TEA-21 is the Highway Trust Fund, whose major source of income is the federal motor fuel taxes of 18.4 cents per gallon of gasoline.

This document describes how and why TEA-21 local program funds are distributed to localities and identifies the project selection process.

Washington State TEA-21 Federal Highway Programs FFY 1998-2003 \$2,763 Million	
WSDOT Programs	National Highway System
	Bridge
	Interstate Maintenance
	Statewide Planning & Research
	Metropolitan Planning
	<b>Subtotal</b>
Local Programs	<b>Congestion Mitigation/Air Quality (CMAQ)</b>
	<b>Surface Transportation Program (STP)</b>
	Distributions by Population
	> 200,000 population
	< 200,000 population
	< 5,000 population
	State Flexible
	Statewide Competitive
	Rural Economic Vitality
	Population Distribution
	WSDOT
	Safety
	Enhancements
	<b>National Highway System</b>
	<b>Bridge</b>
	<b>Subtotal</b>
<b>Total</b>	

Totals reflect 5 year actuals with 2003 estimated amounts and may not add due to rounding. CMAQ and STP totals exclude 2% Statewide Planning & Research set aside. STP amount includes the minimum guarantee funds.

WSDOT Programs



This pie chart shows the relative overall size of TEA-21 program components.

Local Programs

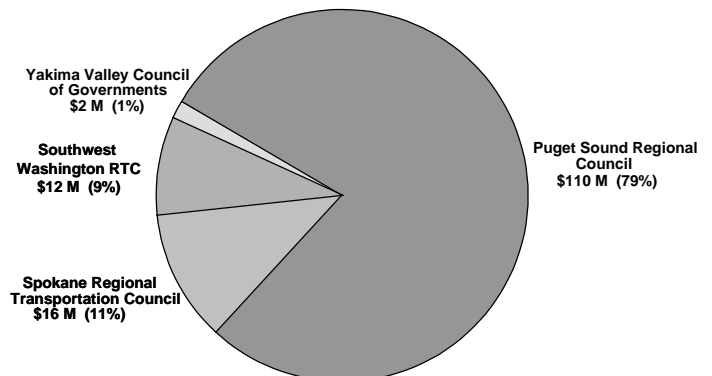
## Distribution and Programming of CMAQ Funds: \$140 Million

<b>Congestion Mitigation/Air Quality (CMAQ)</b>	<b>\$140</b>
<b>Surface Transportation Program (STP)</b>	
Distributions by Population	<b>\$355</b>
> 200,000 population	\$196
< 200,000 population	\$92
< 5,000 population	\$67
State Flexible	<b>\$369</b>
Statewide Competitive	\$89
Rural Economic Vitality	\$69
Population Distribution	\$69
WSDOT	\$142
Safety	<b>\$71</b>
Enhancements	<b>\$71</b>
<b>National Highway System</b>	<b>\$19</b>
<b>Bridge</b>	<b>\$259</b>
<b>Subtotal</b>	<b>\$1,284</b>

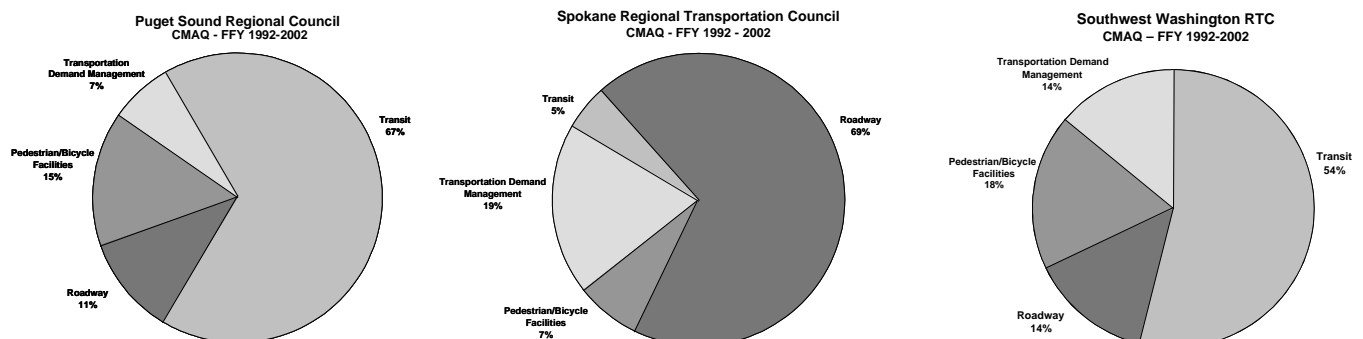
The Congestion Mitigation and Air Quality Improvement program (CMAQ) provides funds to state and local governments for transportation projects and programs that help meet the requirements of the Clean Air Act. Eligible activities include transit improvements, travel demand management strategies, traffic flow improvements, and public fleet conversions to cleaner fuels, among others. Funding is available for areas that do not meet the National Ambient Air Quality Standards (non-attainment areas), as well as former non-attainment areas that are now in compliance (maintenance areas).

CMAQ funds are distributed in accordance with a formula in federal law based on the severity of a county's air quality problems and its population. The chart to the right shows the distribution of funds to four MPO's. Each of these MPO's issues an annual regional call for projects involving local agencies and WSDOT. Projects are prioritized based on criteria developed by each MPO. Project selections are made in consultation with the State.

**MPO Shares of CMAQ Funds  
FFY 1998-2003 \$140 Million**



The shares of project types funded in three of the MPO's over the past ten years are shown below. The larger share of investment for roadway projects in the Spokane area shows a strategy to reduce particulate matter, the largest air quality issue in that area. PSRC and RTC, by contrast, have invested their largest share in transit to target the emissions for which the areas are out of compliance.



## Distribution and Programming of National Highway System (NHS) and Surface Transportation Program (STP) Funds

<b>Congestion Mitigation/Air Quality (CMAQ)</b>	<b>\$140</b>
<b>Surface Transportation Program (STP)</b>	
→ <b>Distributions by Population</b>	<b>\$355</b>
> 200,000 population	\$196
< 200,000 population	\$92
< 5,000 population	\$67
<b>State Flexible</b>	<b>\$369</b>
Statewide Competitive	\$89
Rural Economic Vitality	\$69
Population Distribution	\$69
WSDOT	\$142
Safety	<b>\$71</b>
Enhancements	<b>\$71</b>
→ <b>National Highway System</b>	<b>\$19</b>
<b>Bridge</b>	<b>\$259</b>
<b>Subtotal</b>	<b>\$1,284</b>

### NHS

The NHS includes the Interstate Highway System as well as other roads important to the nation's economy, defense and mobility. NHS funds are provided for improvements to these routes and are distributed nationally based on a federal formula. Local agencies receive approximately three percent (\$19 M) of the state's NHS funds for their NHS routes.

### STP

For purposes of distribution, STP funds either fall in a category that is distributed to benefit communities falling within certain population categories ("distribution by population") or in a category distributed in accordance with a state's discretionary rules of distribution ("state flexible").

### Distribution by Population: \$355 Million

The distribution of these funds, established in ISTEA and unaltered by TEA-21, reserves a certain portion of these funds for communities of greater than 200,000 population, and a certain portion for communities of smaller than 5,000 population, with the remaining for the other areas in the state.

- The funds for communities greater than 200,000 population, are divided between the three largest MPO's: Puget Sound, Spokane and Vancouver. The shares are based on the MPO's respective levels of urbanized population.
- The funds for communities under 5,000 population are distributed based upon a different formula comparing road mileage under the vintage 1991 Federal Aid Secondary System.
- The funds for communities under 200,000 population are distributed in proportion to their relative share of the state's population.

Each year WSDOT instructs the MPO's, RTPO's and county lead agencies, what portion of their respective distribution of the "population" driven funds must be spent in large or small communities, and identifies the portion that is applicable to the local NHS routes.

Each regional body develops procedures and criteria for selecting projects. Typically, the larger MPO's issue an annual regional call for projects involving local agencies and WSDOT. Projects are prioritized based on criteria developed by each MPO. Project selections are made by the MPO's in consultation with the State. The RTPOs and county lead agencies may follow the formal process previously described or they may utilize a less formal process. For example, the RTPO's and/or the county lead agencies may allocate dollars by population, or the county may exchange some local revenue for the federal dollars that could go to a small community.

## Distribution and Programming of “State Flexible” Funds: \$369 Million

<b>Congestion Mitigation/Air Quality (CMAQ)</b>	<b>\$140</b>
<b>Surface Transportation Program (STP)</b>	
Distributions by Population	<b>\$355</b>
> 200,000 population	\$196
< 200,000 population	\$92
< 5,000 population	\$67
→ <b>State Flexible</b>	<b>\$369</b>
Statewide Competitive	\$89
Rural Economic Vitality	\$69
Population Distribution	\$69
WSDOT	\$142
Safety	<b>\$71</b>
Enhancements	<b>\$71</b>
<b>National Highway System</b>	<b>\$19</b>
<b>Bridge</b>	<b>\$259</b>
<b>Subtotal</b>	<b>\$1,284</b>

Splitting the pie of the “state flexible” funds was left by Congress to the states. Shortly after the Act was passed, a “statewide steering committee” was established in this state to decide the distribution question. The statewide steering committee was made up of MPO’s, cities, counties, ports, transits, the legislature, the governor’s office and WSDOT. The committee, however, was unable to reach agreement and the legislature then stepped in with the passage in 1999 of ESHB-1125. That solution, however, failed to satisfy the governor, who vetoed the distribution of the flexible funds outlined in ESHB-1125.

The governor then established the rules of the allocation, for 1999-2003, resulting in the outcome shown in the chart on the right. Within each category, the selection of specific projects for application of the funds is determined as follows.

### Rural Economic Vitality: \$69 Million

The Rural Economic Vitality grant program was created out of the Governor’s Economic Initiative to fund transportation improvements necessary for rural economic development. The goal of the program is to facilitate a rapid response to emerging economic opportunities. WSDOT partnered with Community, Trade and Economic Development working through the Community Economic Revitalization Board in establishing the criteria and procedures for this statewide grant program. Several statewide calls for projects were made and projects prioritized. The Community Economic Revitalization Board selects the projects.

### Statewide Competitive: \$89 Million

The purpose of the Statewide Competitive program, which relates back to ISTEA, is to fund multi-modal transportation projects with an emphasis on regional significant corridors. WSDOT and the Transportation Improvement Board (TIB) established the criteria and procedures for this statewide grant program. Several statewide calls for projects have been made and projects prioritized. The projects were submitted to TIB for final approval on project selections.

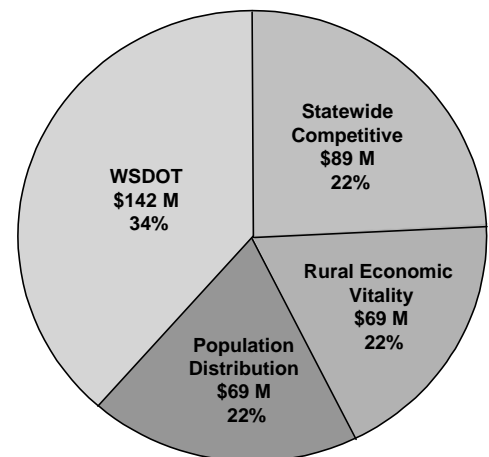
### WSDOT: \$142 Million

The State Flexible funds distributed to WSDOT are expended on projects in the Improvement and Preservation programs. Under certain circumstances, transfer of funds from the Interstate Maintenance to the STP program, augment this amount.

### Population Distribution: \$69 Million

The State Flexible funds are distributed to MPO’s, RTPO’s and county lead agencies, in the same manner as funds for communities under 200,000 population, as explained on page 3.

**STP – State Flexible  
FFY 1998-2003 \$369 Million**



## Distribution and Programming of Safety and Enhancement Funds

<b>Congestion Mitigation/Air Quality (CMAQ)</b>	<b>\$140</b>
<b>Surface Transportation Program (STP)</b>	
Distributions by Population	<b>\$355</b>
> 200,000 population	\$196
< 200,000 population	\$92
< 5,000 population	\$67
State Flexible	<b>\$369</b>
Statewide Competitive	\$89
Rural Economic Vitality	\$69
Population Distribution	\$69
WSDOT	\$142
→ Safety	<b>\$71</b>
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<b>Bridge</b>	<b>\$259</b>
<b>Subtotal</b>	<b>\$1,284</b>

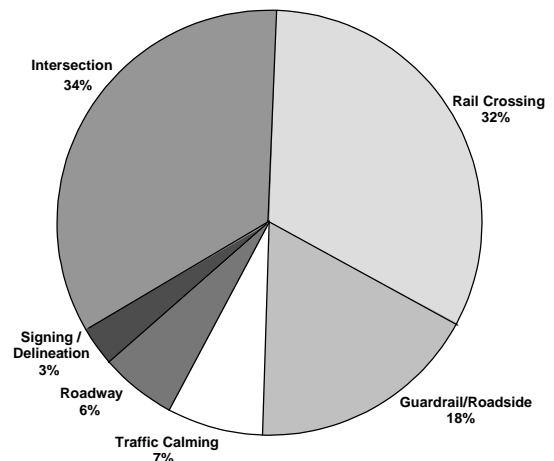
Ten percent of the STP funds is set aside for the Safety program and an additional ten percent is set aside for the Transportation Enhancements program.

### Safety Funds: \$71 Million

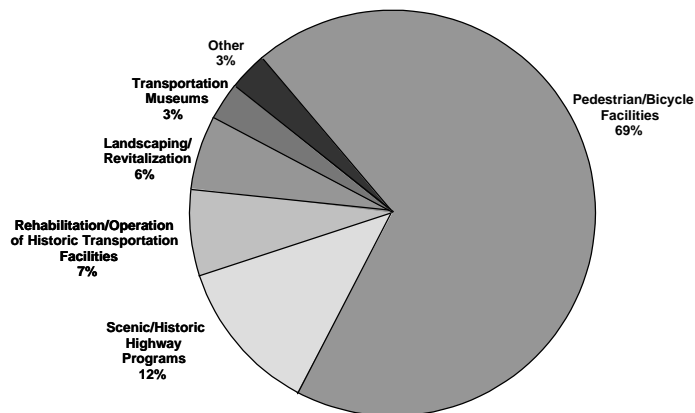
The set aside for safety is split into two statewide grant programs, the Hazard Elimination Safety program and the Hazardous Railroad Crossing program. The programs identify and correct high accident locations and potential hazards through low-cost spot improvements. The chart to the right shows the types of projects that have been funded.

WSDOT established the criteria and procedures for this statewide grant program. Several statewide calls for projects have been made with projects prioritized and selected by WSDOT.

**Safety Program Historical Selections by Type**  
FFY 1998 - 2001



**Enhancement Program Historical Selections by Type**  
FFY 1992 - 2003



### Enhancements Funds: \$71 Million

The purpose of the Enhancements program, which relates back to ISTEA, is to address non-traditional transportation investments such as bicycle and pedestrian facilities, scenic and historic highway programs and rehabilitation/operation of historic transportation facilities. The chart to the left identifies the types of projects that have been funded.

The program's implementation was determined by the statewide steering committee at the beginning of ISTEA, continuing through TEA-21. MPO's and RTPO's developed their own criteria

for prioritizing projects, and issued regional calls for projects, involving local agencies and WSDOT. Projects are prioritized based on the regional criteria. The MPO's and RTPO's submit the prioritized lists to TIB for final selection.

## Distribution and Programming of Bridge Funds: \$259 Million

<b>Congestion Mitigation/Air Quality (CMAQ)</b>	<b>\$140</b>
<b>Surface Transportation Program (STP)</b>	
Distributions by Population	<b>\$355</b>
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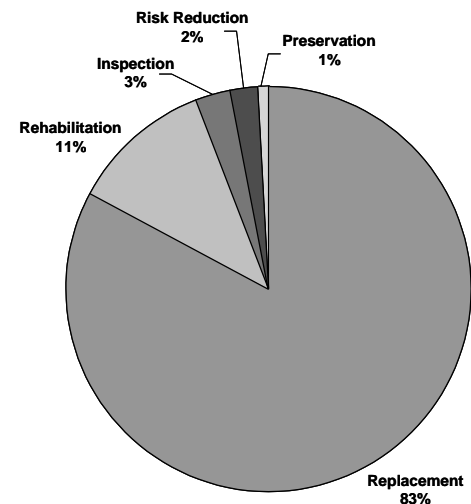
The Bridge program provides funds to state and local governments to assist in the replacement or rehabilitation of deficient bridges. The funds are distributed nationally based on a federal formula. Washington further divides the funds, with 60% for WSDOT owned bridges and 40% for local agency owned bridges.

The local agency bridge program provides funding to four main program areas:

- Inspection – Inspect one-half of all local agency bridges every year, which includes special high cost inspections.
- Rehabilitation and Replacement – Rehabilitate mechanical and electrical operating systems on moveable bridges. Replace bridges that have deteriorated beyond the bridge's service life.
- Preservation – Extending the bridge service life through structural repairs.
- Risk Reduction – Special efforts directed to seismic retrofit and scour mitigation (flood risk).

The chart to the right identifies the types of projects selected through TEA-21.

**Bridge Program Historical Selections by Type  
FFY 1998-2003**



The Bridge Replacement Advisory Committee (BRAC) selects local agency bridges for funding twice a year. BRAC has nine-members, three city, three county and three WSDOT representatives. BRAC established the criteria and procedures for this statewide grant program. Bridges are prioritized based on their condition rating, and bridges that are in the worst condition are addressed first.